

Alabama Medical Cannabis Commission Meeting

Minutes

October 13, 2022

The Alabama Medical Cannabis Commission met on October 13, 2022, in the RSA Dexter Conference Room. The meeting was called to order by Chairman Steven Stokes at 12:56 P.M.

Mr. Justin Aday led the Commission's invocation. The roll was taken with a quorum present. Commission members present for the meeting were Dr. Steven Stokes, Mr. Rex Vaughn, Dr. Sam Blakemore, Mr. Dwight Gamble, Dr. Angela Martin, Dr. Eric Jensen, Ms. Loree Skelton, Judge Charles Price, Ms. Taylor Hatchett, Mr. James Harwell, Dr. Jerzy P. Szaflarski, and Mr. Dion Robinson. Members absent from the meeting were Dr. William Saliski.

Chairman Stokes presented the minutes from the September 8, 2022, Commission meeting. A motion to approve the minutes was made by Dr. Jensen, seconded by Mr. Vaughn, and received unanimous approval by the Commission.

Chairman Stokes then moved into the committee reports portion of the meeting. The Physicians Committee, Mr. Vaughn chair of the Agricultural Committee, and Dr. Jensen chair of the Processors Committee, did not have any new information to report.

Chairman Stokes recognized Dr. Blakemore to provide an update on behalf of the Dispensaries Committee. Dr. Blakemore shared medical cannabis information resources from Connecticut, Ohio, and Minnesota. He explained the importance of price and labeling transparency for consumers. Dr. Blakemore concluded his report by highlighting the medical cannabis product timeline in Louisiana.

Mr. Robinson, of the Law Enforcement and Legal Committee, introduced Mr. Avery Morris (Operations Commander/Supervisory Agent of the Criminal Justice Information Services Division at the Alabama State Bureau of Investigation) and Mr. Tim McCollum (Assistant Attorney General at the Alabama Law Enforcement Agency).

Mr. Morris outlined the State Bureau of Investigations role in conducting state background checks. He also provided details concerning the cost associated with and the location of where state checks could be conducted. He explained that state background check returns could be processed in the same day, but that request for Federal background checks could take from three to six weeks. He encouraged those applying for licensure to move swiftly in conducting their background checks.

Mr. McCollum discussed the ongoing conversations relating to driver's license suspensions for patients who may be recommended a daily dosage of medical cannabis that exceeds 75 mg THC. He explained the importance of ensuring that the Commission's databases relay such information to the systems used by the Alabama Driver's License Division at the Alabama Law Enforcement Agency.

Mr. Gamble then provided a financial update on behalf of the Budget Committee and all members were provided a copy of current and future expenditures. He explained that the Commission will move \$2.8 million forward into fiscal year 2023 in accordance with State procedures. Additionally, he noted that the budget request for fiscal year 2024 will be due by November 1, 2022.

Following the conclusion of subcommittee reports, Director McMillan recognized Alabama State Treasurer Young Boozer to present on the challenges of medical cannabis banking. Treasurer Boozer provided background information on the conflicts between state and federal law which prevents many banks from participating in banking those involved in the cannabis industry. He discussed several federal bills, such as the SAFE Banking Act, that could alleviate such discrepancies. Treasurer Boozer, who chairs the Banking Committee for the National Association of State Treasurers (NAST), highlighted the work NAST is doing to educate members of Congress about the challenges surrounding cannabis banking.

Ms. Brittany Peters then recognized Mr. Nick Figueroa, Key Program Manager for Metrc (Alabama's statewide seed-to-sale tracking system provider) to make an introduction. Mr. Figueroa introduced other members of Metrc's team and highlighted key features of the track and trace system. Mr. Figueroa noted that he would share a full system demo at an upcoming Commission meeting.

With Metrc's report complete, the Commission moved into staff reports. Director McMillan commended Metrc for their work thus far and expressed his excitement to have them as partners moving forward. Director McMillan also noted that October 1, 2022, reflected one year of the staff working for the Commission.

Upon the completion of Mr. McMillan's report, he recognized Mr. Daniel Autrey to give an administrative update. Mr. Autrey echoed Director McMillan's remarks and thanked members for their input during the recent one-on-one meetings to discuss the application process. Mr. Autrey also noted that many local governments are beginning to pass resolutions and ordinances allowing dispensing sites to locate in their jurisdiction.

Mr. Aday and Ms. Peters were then recognized to provide a status update on application development. Ms. Peters provided an update on the number of Request for Application received by license type and provided a map detailing the location of the requests by county. Ms. Peters also provided an abbreviated review of the application portal and upcoming business application. Mr. Aday discussed the development of application guides for each license category. He explained that the guide would provide general application information, review, evaluation and scoring criteria, and descriptions of the applicable exhibits. Ms. Peters concluded their report by emphasizing upcoming dates for applicants.

Mr. Autrey then introduced Attorney Will Webster to discuss the previously adopted rules. Mr. Webster notified members that the rules would become effective on October 15, 2022. He also asked members to reserve Monday, June 12, 2023, on their calendar as that is the date the Commission is scheduled to award licenses.

With the conclusion of staff reports, Chairman Stokes moved into the decision items.

Chairman Stokes thanked the AMCC staff for their efforts in developing both the business license applications and accompanying application guides. He then asked for a motion to release the medical cannabis business applications and application guides on October 24, 2022. A motion was made to approve the release by Mr. Harwell, seconded by Judge Price, and was unanimously approved by the Commission.

Chairman Stokes then moved to discuss application evaluation. He explained that over the last few weeks, the AMCC staff has reached out to individual commission members to discuss the application evaluation process. He stated that as a result of the input and expertise of individual Commission members and research of the staff, that the Commission was prepared to consider a decision item related to application evaluation services conducted by a third party. Chairman Stokes shared that the staff's recommendation is to pursue a partnership via a Memorandum of Understanding with the University of South Alabama to establish teams of academic evaluators and other qualified individuals, selected because of their expertise, from Alabama universities and other sources as necessary. Chairman Stokes then recognized Mr. Vaughn to make a prepared motion.

Mr. Vaughn made a motion that the Alabama Medical Cannabis Commission approve the University of South Alabama as its agent to provide services to this Commission and the people of the State of Alabama. He noted that the motion is pursuant to a Memorandum of Understanding between the University of South Alabama and the Commission, whereby the University of South Alabama, as the lead university, will establish panels of academic evaluators and other qualified individuals as designated by itself and other public institutions in Alabama for the purpose of grading the merits of Applications that have been filed by individuals and entities seeking a medical cannabis license during the initial offering of such licenses and deemed submitted by this Commission at its meeting currently projected to take place April 13, 2023. The motion was seconded by Mr. Harwell and receive approval from the Commission with Chairman Stokes recusing himself from the vote.

With the conclusion of decision items and their being no further business before the Commission, a motion to adjourn was made by Dr. Jensen, seconded by Judge Price, and unanimously approved by the Commission. The meeting adjourned at 2:31 P.M.